



Recording Requested by
and when Recorded return to:

City of Winters
318 First Street
Winters, CA 95694
Attn: City Manager

Yolo Recorder's Office
Jesse Salinas, County Recorder
DOC- 2017-0014433-00

Acct 118-Winters - NC

Friday, JUN 09, 2017 08:10:00

Ttl Pd \$0.00 Rcpt # 0001255446

FRT/X9/1-20

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GOVERNMENT CODE §§6103, 27383

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

PUBLIC IMPROVEMENT AND MAINTENANCE AGREEMENT

SEWER AND STORM DRAIN IMPROVEMENTS FOR THE WINTERS HIGHLANDS SUBDIVISION

This Public Improvement and Maintenance Agreement ("AGREEMENT") is made and entered into this 8th day of June, 2017 ("EFFECTIVE DATE") by and between the CITY OF WINTERS, a municipal corporation, hereinafter called ("CITY") and HBT of Winters Highlands, LLC., a California Limited Liability Company, hereinafter called ("DEVELOPER"). CITY and DEVELOPER are hereinafter sometimes collectively referred to as the "PARTIES" and singularly as "PARTY."

RECITALS

WHEREAS, CITY entered into a Development Agreement, dated and recorded May 30, 2006, as Document No. 2006-0020954-00, a First Amendment to Development Agreement, dated December 21, 2006, and recorded January 19, 2007 as Document No. 2007-0002146-00, a Second Amendment to Development Agreement, dated February 19, 2009, and recorded March 16, 2009 as Document No. 2009-0007219-00, and an Amended and Restated Development Agreement dated as of April 16, 2015, and recorded April 20, 2015, as Document No. 2015-0010120-00 (the "Development Agreement") with DEVELOPER's predecessor in interest, GBH-WINTERS HIGHLANDS, LLC, a California limited liability company ("GBH"), providing for the development of certain property commonly known in the City of Winters as the Winters Highlands Property, Yolo County Assessor's Parcels Nos. Nos. 030-220-040-000, 030-220-050-000, 030-220-017-000, 030-220-019-000, 030-361-

20

001-000 (the "Property"), with a multi-phased residential project with ancillary open space and on-site and off-site improvements (the "Project"); and

WHEREAS, as noted in the Development Agreement, the Winters Highlands Tentative Subdivision Map ("Tentative Map"), including mitigation measures and Conditions of Approval ("Conditions of Approval"), were approved for the Property in accordance with the Subdivision Map Act and the CITY's Subdivision Ordinance. As part of the Conditions of Approval, DEVELOPER is required to fund and construct certain off-site improvements, including without limitation construction of an off-site sewer pump station identified on West Main Street adjacent to the entrance to the Rancho Arroyo Detention Pond (the "Required Improvements"), as more fully described in Exhibit A, attached hereto and incorporated herein by reference. As stated in Condition of Approval No. 134, CITY has the option of requiring Developer to design and construct the Required Improvements or have CITY design and construct the Required Improvements at DEVELOPER's expense; and

WHEREAS, DEVELOPER wishes to commence construction the improvements described in this AGREEMENT prior to obtaining approval and recordation of the Final Map, as provided for under the Development Agreement. CITY is willing to allow DEVELOPER to commence obtaining approvals for and construction of the improvements described herein, contingent upon DEVELOPER's execution of this AGREEMENT and the provision of adequate security for the completion of the Improvements described herein; and

WHEREAS, it is to the benefit of DEVELOPER and CITY that DEVELOPER post adequate security and the Parties establish other requirements to ensure the construction and installation, within a specific time, of the improvements described in this AGREEMENT; and

WHEREAS, the CITY and the DEVELOPER desire to enter into this AGREEMENT to provide for the construction and dedication to the City of the required public improvements, as more particularly set forth below.

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. **Payment of Fees:** Subsequent to execution of this AGREEMENT by CITY, or at such times as are legally required, DEVELOPER shall pay to CITY all those planning, plan check approval, and administrative fees required by CITY ordinances, as more specifically set forth in paragraph 32 of this AGREEMENT. Those fees to be paid shall include actual staff time and expenses incurred in the processing and checking improvement plans. All other fees (e.g. development impact fees) shall be paid in accordance with existing ordinances or resolutions and this AGREEMENT.

2. **Inspection Fees:** The DEVELOPER shall pay to the CITY fees for inspecting the construction of the required public improvements in an amount equal to a deposit of Eighty-Two-Thousand Two-Hundred Eighty-Two Dollars and Fifty Cents. Said fees in the amount of \$82,282.50 shall be paid at time of approval of the improvement plans.

The fees referred to in this paragraph are not necessarily the only City inspection fees, charges, or other costs that may be imposed on the PROJECT, and this AGREEMENT shall in no way exonerate or relieve the DEVELOPER from paying such other applicable fees, charges, and/or other costs. Fees associated with over-time inspections and other special inspections related to the required public improvements may be drawn down from the initial \$82,282.50 deposit, or any subsequent deposit as required by the CITY.

3. **Construction of Improvements:**

a. Except as otherwise provided below, DEVELOPER agrees to furnish, construct and install at DEVELOPER's sole cost and expense all the required public improvements as shown and approved on the improvement plans prepared by V.W. Housen and Associates – W Main SS Pump Station, Wood Rodgers – Rancho Arroyo Detention Basin Pump Station; and Laugenhour and Meikle – W Main Street SS Force Main ("IMPROVEMENT PLANS"), a copy of which is on file in the office of the City Engineer, and is incorporated herein by reference; along with any changes or modifications as may be required by the City Engineer. The IMPROVEMENT PLANS may be modified by the DEVELOPER as construction progresses, provided that any modification is approved in writing by the City Engineer. The total estimated cost of the required public improvements is Six-Million Thirty-Nine-Thousand Seven-Hundred-Eighty-Seven Dollars (\$6,039,787).

b. DEVELOPER agrees to install street lights pursuant to P.G. & E. and City requirements.

c. DEVELOPER agrees that gas, electric, telephone and cable television utilities shall be provided via underground transmission facilities at no cost to CITY. DEVELOPER's cost of such facilities (excluding those costs to be paid by utility companies) shall be included in the amount of improvement securities required in Section 9 of this AGREEMENT.

4. Conformance with Improvements Plans:

a. All construction of the required public improvements shall conform with the IMPROVEMENT PLANS and shall comply with all applicable standards as required by the CITY's improvement standards, and shall be to the reasonable satisfaction of the City Engineer.

b. DEVELOPER shall provide the City Engineer with a geotechnical study showing condition of the soil/earth for infrastructure, and building pads.

5. Fulfillment of Conditions: DEVELOPER shall fulfill all conditions of approval imposed by CITY's City Council, and incorporated herein by this reference, in accordance with CITY ordinances, and state law. Reimbursement to CITY of CITY staff time, costs, and expenses, including legal expenses, incurred in the processing, review, approval, inspecting and completion of the improvement and agreements therefore, is a specific condition of approval.

6. Schedule for Construction: Construction of all required public improvements shall be commenced by the DEVELOPER within one-hundred eighty (180) days of the Effective Date and shall be completed within three hundred-sixty five (365) calendar days thereafter. At least fifteen (15) calendar days prior to the commencement of construction, the DEVELOPER shall notify the City Engineer, in writing of the date DEVELOPER shall commence construction, and shall provide the City Engineer with a construction schedule, in a form specified by the City Engineer, before beginning any work.

7. Inspection and Access to Work

a. Except as otherwise provided, all equipment, materials, and work shall be subject to inspection and testing by the City Engineer. The City Engineer may observe the progress and quality of the work and determine, in general, if construction of the required public improvements is proceeding in accordance with the intent of the IMPROVEMENT PLANS. The City Engineer is not required to make comprehensive or continuous inspections to check the quality of the work, and shall not be responsible for construction means, methods, techniques, sequences, or procedures, or for safety precautions and

programs in connection with the work. Visits and observations made by the City Engineer shall not relieve the DEVELOPER of its obligation to conduct comprehensive inspections of the work and to furnish proper materials, labor, equipment and tools, construct acceptable work, and to provide adequate safety precautions, in conformance with this AGREEMENT.

b. Whenever the DEVELOPER varies the period during which work is carried out on each day, DEVELOPER shall give due notice to the City Engineer so that proper inspection may be provided. Any work done in the absence of proper inspection by the City Engineer shall be subject to rejection. Safe access to all parts of the work shall at all times be maintained for the necessary use of the City Engineer, other agents of the CITY, and agents of the Federal, State, or local governments, as applicable, during reasonable hours for inspection of the work to ascertain compliance with applicable laws and regulations.

c. One or more inspectors may be assigned by the City Engineer to observe the work and compliance with this AGREEMENT. It is understood that such inspectors shall have the power to issue instructions, reject work, and make decisions regarding compliance with this AGREEMENT, subject to review by the City Engineer within the limitations of the authority of the City Engineer. Such inspection shall not relieve the DEVELOPER of its obligation to conduct comprehensive inspections of the work, to furnish proper materials, labor, equipment and tools, construct acceptable work, and to provide adequate safety precautions in conformance with this AGREEMENT.

d. The City Engineer and its representatives shall at all times have access to the work wherever it is in preparation or progress, and the DEVELOPER shall provide safe and convenient facilities for such access and for inspection. If this AGREEMENT, the CITY's improvement standards, the City Engineer's instructions, or the laws, ordinances, of any applicable public authority require any material, equipment or work to be specifically tested or approved, the DEVELOPER shall give the City Engineer timely notice of its readiness for such inspection, and if the inspection is by an authority other than the CITY, notice shall be given of the time fixed for such inspection. Inspections by the City Engineer will be made promptly and, where practicable, at the source of supply.

e. Work performed without inspection may be required to be removed and replaced under proper inspection. In such instances, the entire cost of removal and replacing such work, including the cost of City furnished materials used in the work, shall be borne by the DEVELOPER, regardless of whether or not the work exposed is found to be defective.

f. The DEVELOPER shall furnish promptly without additional charge all facilities, labor and materials reasonably needed by the City Engineer for performing all inspection and tests. DEVELOPER shall be charged with any additional cost of inspection when material and workmanship are not ready at the time of its inspection.

g. Where any part of the work is being done under an encroachment permit or building permit, or is subject to Federal, State, County or City codes, laws, ordinances, rules or regulations, representatives of the applicable government agency shall have full access to the work and shall be allowed to make any inspection or tests in accordance with such permits, codes, laws, ordinances, rules, or regulations. If advance notice of the readiness of the work for inspection is required by the governing agency, the DEVELOPER shall furnish such notice to the appropriate agency.

- 1) CITY shall request and receive written confirmation from Yolo County Public Works that all work associated with Yolo County Public Works Project No. PW2016-0004 (Winters Sewer Force Main Project) has been completed to the satisfaction of the County Engineer prior to final acceptance by the City Council or release of security.

8. **Timeliness and Extension:**

a. Time is of the essence of this AGREEMENT. The dates for commencement and completion of the required public improvements may be extended as provided in this paragraph. The City Engineer may extend the dates due to delays in the work actually caused by inclement weather, riots, strikes, lockouts, fires, earthquake, floods and conditions resulting therefrom, or for other reasons beyond the control of the DEVELOPER. Extension of the dates for any other cause shall be made only by the City Council. Extension shall be granted only upon a showing of good cause by the DEVELOPER. The City Council shall be the sole and final judge as to whether sufficient good cause has been shown to warrant granting the DEVELOPER an extension.

b. Request for extension of the commencement and/or completion date shall be in writing and delivered to the CITY in the manner hereinafter specified for service of notices in paragraph 27 of this AGREEMENT. An extension of time, if any, shall be granted only in writing, and an oral extension shall not be valid or binding on the CITY.

c. In the event the CITY extends the time of commencement and/or completion of the work to be done under this AGREEMENT, such extension shall in no way release any guarantee or security given by the DEVELOPER pursuant to this AGREEMENT, or relieve or release those providing an improvement security pursuant to this AGREEMENT. Those individuals or entities providing improvement security for the PROJECT as specified in Paragraph 9 below shall be deemed to have expressly agreed to any such extension of time. Any such extension may be granted without notice to those entities or individuals providing improvement security to the DEVELOPER.

d. The granting of any extension of time may be conditioned by the CITY by requiring new or amended improvement security in amounts increased to reflect increases in the costs of constructing the required improvements or by other conditions imposed by the CITY to protect its interests and ensure the timely completion of the required public improvements.

9. **Improvements Security:** Concurrently with the execution of this AGREEMENT, the DEVELOPER or the DEVELOPER's designated General Contractor(s) shall furnish the CITY:

a. Improvement security in the sum of Six-Million Thirty-Nine-Thousand Seven-Hundred-Eighty-Seven Dollars (\$6,039,787), which is equal to one hundred (100) percent of the total estimated cost of constructing the required public improvements, which estimated cost has been reviewed and approved by the City Engineer, and the cost of any other obligation to be performed by DEVELOPER under this AGREEMENT; and

b. Separate improvement security in the sum of Three-Million Nineteen-Thousand Eight-Hundred-Ninety-Three Dollars (\$3,019,893), which is equal to fifty (50) percent of the estimated cost of constructing the required public improvements, securing payment to the contractor, subcontractor, and to persons furnishing labor, materials, or equipment to them for the construction of the required public improvements.

c. As part of the obligation guaranteed by the security and in addition to the face amount of the security, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by CITY in successfully enforcing the obligation secured.

d. The type and form of the improvements security shall be in conformance with Chapter 5 of the Subdivision Map Act (Government Code section 66499.10) and shall be subject to the approval of the City Manager and City Attorney. No change, alteration, or addition to the terms of this Agreement or the improvement plans accompanying the same shall in any manner affect the obligation of those providing improvement security pursuant to this Agreement, except as otherwise provided by the

Subdivision Map Act. Security may be an instrument of credit or similar security from one or more financial institutions subject to regulation by the state or federal government and pledging that the funds necessary to carry out the act or agreement are on deposit and guaranteed for payment, and said security document shall be subject to approval of the City.

10. **Release of Security:** The security furnished by the DEVELOPER may be released in whole or in part in the following manner:

a. Security given for faithful performance of any act or agreement may be released upon the performance of the act and final completion and acceptance by the City Council of the required work. Partial release of said security upon partial performance of the act or the acceptance of the work as it progresses may be made upon written authorization of the City Engineer following his inspection and approval of the required public improvements or work related thereto, and the approval of the City Council once each month. In any event, however, sufficient security in an amount equal to ten percent (10%) of the estimated cost of the required public improvements to be constructed, shall be retained for the guarantee and warranty of the constructed improvements and related work against any defective work or labor done, or defective materials furnished, and for the purpose of guaranteeing payment to the contractor, his subcontractors and to persons furnishing labor, materials or equipment, and the same shall be retained for one (1) year after completion and acceptance by the CITY of all required public improvements and work related thereto. CITY is further not obligated to release any amount of security deemed reasonably necessary by CITY to assure payment of reasonable expenses and fees, including reasonable attorney's fees.

b. Security securing the payment to contractor, his subcontractors and to persons furnishing labor, materials or equipment shall, six (6) months after performance of the act and the completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which the action has been filed and notice thereof given in writing to the City Council, and if no such actions have been filed the security may be released in full.

11. **Risk of Loss Prior To Acceptance:** Neither the CITY, nor any of its officers/elected officials or employees, shall be liable or responsible to DEVELOPER or anyone else, for any accident, loss, or damage, happening or occurring to the improvements specified in this AGREEMENT prior to the completion and acceptance of the required public improvements by CITY. The entire risk of loss relative to said improvements shall be with the DEVELOPER during the period of construction thereof and prior to completion and acceptance thereof by CITY.

12. **As Built Drawings:** DEVELOPER shall keep accurate records on a set of project mylar prints of all additions and deletions to the work, and of all changes in location, elevation, and character of the work, not otherwise shown or noted on the IMPROVEMENT PLANS. Prior to field acceptance of the work, all additions and deletions shall be transferred to mylars and two half size sets of prints. DEVELOPER shall deliver this "as built" information to the City Engineer for the Engineer's approval and retention along with an AutoCAD 2000 or later digital file of IMPROVEMENT PLANS submitted on Compact Disk.

13. **Utility Arrangements:** DEVELOPER shall file with the City Engineer, prior to commencement of any work to be performed pursuant to this AGREEMENT, a written statement or a will service letter signed by DEVELOPER and each public utility serving the project, providing that DEVELOPER has made all arrangements required and necessary to provide the public utility service to the project. Said agreement will provide for the undergrounding of all utility lines on the property as approved by the City Engineer. For purposes of this paragraph, the term "public utility" shall include, but is not limited to, a company providing natural gas, water, sewer, electricity, telephone, and/or cable television service. Said provision shall be without expense to the CITY.

14. **Insurance:** DEVELOPER shall not commence construction or work under this AGREEMENT until all insurance required under this paragraph is obtained and until such insurance has been approved by the City Attorney as to form and sufficiency, nor shall the DEVELOPER allow any contractor or subcontractor to commence work until all similar insurance required of the contractor or subcontractor shall have been so obtained and approved:

a. WORKERS' COMPENSATION INSURANCE shall be provided, during the life of this AGREEMENT, for all employees employed for construction or work required under this AGREEMENT regardless of whether said employees are employed by Owner or Owner's contractors, subcontractors, or agents. DEVELOPER shall indemnify and hold harmless CITY for any damage resulting from failure of either DEVELOPER or any contractor or subcontractor to take out or maintain such insurance.

b. DEVELOPER shall obtain the following insurance coverages naming DEVELOPER as insured, and the coverage and certificate(s) thereof shall have been approved by the City Attorney:

- 1) COMPREHENSIVE GENERAL LIABILITY INSURANCE for liability assumed by DEVELOPER pursuant to this AGREEMENT with CITY. The minimum limits of

liability for the insurance of this PROJECT for the CITY shall be One Million Dollars (\$1,000,000) per occurrence with a Two Million Dollars (\$2,000,000) aggregate for bodily injury liability and property damage liability.

2) AUTOMOBILE LIABILITY INSURANCE coverage in minimum limits of not less than One Million Dollars (\$1,000,000) shall be required by DEVELOPER and/or DEVELOPER's contractors and sub-contractors hired to perform work on the PROJECT for owned, hired, leased, and non-owned autos.

An additional insured endorsement to the DEVELOPER's liability insurance policies shall name the CITY, its elective and appointive boards, commissions, officers, agents, consultants, and employees, as additional insured, and provide that such insurance is primary insurance with respect to the interest of the CITY and that of any other insurance maintained by the CITY.

15. **Certificates of Insurance:** Promptly upon execution of this AGREEMENT, and prior to commencement of any work, the DEVELOPER shall provide the CITY with certificates of insurance evidencing that the above-required insurance has been obtained and is in full force and effect. The terms of the above-required insurance policy/policies shall require each carrier to give DEVELOPER at least thirty (30) calendar days prior written notice of cancellation or reduction in coverage of each of the above-required insurance policies during the effective period of this AGREEMENT. DEVELOPER shall provide CITY immediate written notice of such cancellation or reduction in coverage upon DEVELOPER's receipt of such notice. Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve DEVELOPER for liability in excess of such coverage, nor shall it preclude CITY from taking such other actions as are available to it under any other provisions of this AGREEMENT or otherwise in law.

16. **Indemnification and Hold Harmless:** DEVELOPER will indemnify, hold harmless and assume the defense of, in any actions of law or in equity, the CITY, its officers/elected officials, employees, agents, consultants, and elective and appointive boards from any and all claims, losses, damage, including property damage, personal injury, including death, and liability of every kind, nature, and description, directly or indirectly arising out of or in any way connected with performance under this AGREEMENT and/or construction of the required public improvements by the DEVELOPER, his contractor or any subcontractor, or of any person directly or indirectly employed by, or acting as agent for the DEVELOPER, his contractor or any subcontractor. This indemnification and hold harmless provision

shall extend to claims, losses, damage, injury, and liability for injuries occurring after completion of the construction. Acceptance of insurance certificates required under this AGREEMENT does not relieve DEVELOPER from liability under this indemnification and hold harmless provision.

17. Developer is Not an Agent of the City: Neither DEVELOPER, nor any of DEVELOPER's contractors, subcontractors, or agents are or shall be considered agents of CITY when performing DEVELOPER's obligations under this AGREEMENT.

18a. Maintenance of Public Improvements and Landscaping Prior to Acceptance by City. CITY shall not be responsible or liable for the maintenance or care of the Public Improvements until CITY approves and accepts them. CITY shall exercise no control over the Public Improvements until accepted. Any use by any person of the Public Improvements, or any portion thereof, shall be at the sole and exclusive risk of DEVELOPER at all times prior to CITY'S acceptance of the Public Improvements. DEVELOPER shall maintain all the Public Improvements in a state of good repair until they are completed by DEVELOPER and approved and accepted by CITY.

Maintenance shall include, but shall not be limited to: repair of pavement, curbs, gutters, sidewalks, signals, parkways, water mains, and sewers; maintaining all landscaping in a vigorous and thriving condition reasonably acceptable to CITY; removal of debris from sewers and storm drains; and sweeping, repairing, and maintaining in good and safe condition all streets and street improvements. DEVELOPER shall cause the sweeping of streets to occur weekly at a minimum. DEVELOPER shall perform additional street sweeping work as necessary depending on construction activities or as required by, and at the direction of, the City Engineer. It shall be DEVELOPER'S responsibility to initiate all maintenance work, but if it shall fail to do so, it shall promptly perform such maintenance work when notified to do so by CITY. If DEVELOPER fails to properly prosecute its maintenance obligation under this Section, CITY may do all work necessary for such maintenance and the cost thereof shall be the responsibility of DEVELOPER and its surety under this Agreement. CITY shall not be responsible or liable for any damages or injury of any nature in any way related to or caused by the Public Improvements or their condition prior to acceptance.

18b. Repair or Reconstruction of Defective Work: For a period of one (1) year after acceptance by the City Council of the completed construction and work done under this AGREEMENT, DEVELOPER shall remain fully and completely responsible for the repair, replacement, and reconstruction of any defective or otherwise unsatisfactory work or labor done, or defective materials furnished, in the performance of this AGREEMENT by DEVELOPER. Should DEVELOPER fail or

refuse to act promptly after receiving written notification by CITY of the necessity to act pursuant to the aforementioned requirement, or should the exigencies of the case require repairs or replacements to be made before DEVELOPER can be notified, CITY may, in its sole discretion, make the necessary repairs or replacements and perform the reconstruction work and DEVELOPER shall pay to CITY the actual cost therefore plus fifteen percent (15%) thereof, which additional fifteen percent (15%) shall be paid to CITY as and for an administrative fee. The PARTIES further understand and agree that the improvement security furnished pursuant to paragraph 9 of this AGREEMENT shall guarantee and secure the faithful performance of the provisions of this paragraph during the one-year warranty period.

19. Acceptance and Dedication to City of Requirement Public Improvements: Title to and ownership of the required public improvements constructed pursuant to this AGREEMENT by DEVELOPER shall vest absolutely to the CITY upon completion and acceptance in writing of such improvements by CITY. The CITY may elect not to accept the required public improvements, unless they are constructed in conformity with the approved IMPROVEMENT PLANS, approved modifications, if any, City's improvement standards, and to the satisfaction of the City Engineer.

20. Notice of Breach and Default: If DEVELOPER refuses or fails to obtain prosecution of the work, or any severable part thereof with such diligence as will insure its completion within the time specified, or any extensions thereof, or fails to obtain completion of said work within such time, or if the DEVELOPER should be adjudged a bankrupt, or DEVELOPER should make a general assignment for the benefit of DEVELOPER's creditors, or if a receiver should be appointed in the event of DEVELOPER's insolvency, or if DEVELOPER, or any of the DEVELOPER's contractors, subcontractors, agents, or employee, should violate any of the provisions of this AGREEMENT, CITY may serve written notice of breach of this AGREEMENT upon DEVELOPER and any holder of security provided by DEVELOPER pursuant to paragraph 9 of this AGREEMENT.

21. Breach of Agreement: Performance by Improvement Security Provider or City:

a. In the event that DEVELOPER fails to cure any such breach in its entirety within fifteen (15) days of any such notice of breach and default, those entities or individuals providing improvement security to the DEVELOPER under Paragraph 9 shall have the duty to take over and complete the required public improvements herein specified. However, if within fifteen (15) days after the servicing upon it of such notice of breach, the security improvement providers do not give CITY written notice of its intention to take over the performance of the contract, and does not commence

performance thereof within twenty (20) days after notice to such election, CITY may take over the work and prosecute the same to completion, by contract or by any other method CITY may deem advisable, for the account and at the expense of DEVELOPER and those providing improvement security to the DEVELOPER shall be liable to CITY for any excess cost or damages occasioned CITY thereby.

b. In the event DEVELOPER has provided security for DEVELOPER's performance under this AGREEMENT in either the form of a deposit or an instrument of credit, CITY, at its option, shall have full and conditional recourse to such security in accomplishing the performance incumbent upon DEVELOPER.

c. In the event the CITY takes action under Subsection 21(a) or 21(b) above, CITY without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to DEVELOPER as may be on the site of the work and necessary therefor. The rights of CITY provided in this Section are in addition to and cumulative to any and all other rights. Paragraphs 20 and 21 hereof shall not be construed as being in lieu of any other such rights provided by law.

22. Prevailing Wages:

a. DEVELOPER acknowledges that CITY has made no representation, express or implied, to DEVELOPER or any person associated with DEVELOPER regarding whether or not laborers employed relative to the construction of the improvements to be constructed pursuant to this Agreement must be paid the prevailing per diem wage rate for their labor classification, as determined by the State of California, pursuant to Labor Code Section 1720, *et seq.* ("Prevailing Wage Laws"). DEVELOPER agrees with CITY that DEVELOPER shall assume any and all responsibility and be solely responsible for determining whether or not laborers employed relative to the construction undertaken pursuant to this Agreement must be paid the prevailing per diem wage rate pursuant to the Prevailing Wage Laws or other applicable law.

b. DEVELOPER, on behalf of itself, its successors, and assigns, waives and releases CITY from any right of action that may be available to any of them pursuant to Labor Code Section 1781 or any similar law. Relative to the waiver and release set forth in this Section, DEVELOPER acknowledges the protections of Civil Code Section 1542, which reads as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

By initialing below, DEVELOPER knowingly and voluntarily waives the provisions of Section 1542 or any similar law solely in connection with the waivers and releases contained in this Section.

_____(Initials of Authorized Developer Representative)

c. DEVELOPER shall indemnify, hold harmless and defend CITY against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including DEVELOPER, its contractor(s) and subcontractors) to pay prevailing wages as required by law or to comply with the other applicable provisions of Labor Code Sections 1720 *et seq.* and implementing regulations of the Department of Industrial Relations in connection with construction and installation of the improvements required pursuant to this AGREEMENT.

DEVELOPER's defense of the CITY shall be provided by counsel reasonably acceptable to the CITY.

The foregoing indemnity shall survive any termination of this AGREEMENT.

23. Assessment District: DEVELOPER expressly consents to the annexation to the City-Wide Maintenance Assessment District.

a. Purpose of said district is to provide and pay for the maintenance, servicing, and incidental expenses of the property's street lights, landscaping (where applicable), creek bank protection (where applicable), and open space areas along Putah Creek (where applicable), etc, as provided in the Streets & Highways Code, Section 22500 *et seq.*, arising from the impacts brought by DEVELOPER and improvements constructed by the DEVELOPER.

b. DEVELOPER agrees that current assessment levels are appropriate, as are the assessment formulas.

24. Effect of Waiver: CITY's waiver of a breach of any one (1) term, covenant, or other provision of this AGREEMENT, is not a waiver of a breach of any other term, nor is a subsequent breach of the term or provision thereby waived.

25. Attorney's Fees: In the event that DEVELOPER fails to perform any obligation hereunder and should CITY prevail in any legal action to compel performance of this AGREEMENT, DEVELOPER agrees to pay reasonable attorney's fees, all costs of suit and all other expenses of

litigation incurred by CITY in connection therewith. "Venue for any litigation shall be Yolo County Superior Court, State of California."

26. Binding on Heirs, Successors, and Assigns: The covenants and conditions contained in this AGREEMENT shall be binding on DEVELOPER'S heirs, successors, and assigns until such time as said covenants and conditions completely have been fulfilled.

27. Notices and Payments: Notices shall be in writing. Payments shall be made by cash, check, or money order. Notices or payments may be made by personal delivery to or mailed to:

CITY: City of Winters
318 First Street
Winters, CA 95694
Attn: City Manager
Tele.: (530) 795-4910

DEVELOPER: HBT of Winters Highlands, LLC
11060 White Rock Road, Suite 150
Rancho Cordova, CA 95670
Attn: Jeremy Goulart
Tele.: (916) 782-2424

Mailed notices or payments shall be deemed delivered three days after deposit in the U.S. Mail, properly addressed and with certified postage prepaid. A change of person or place to send or receive notices or payments shall be made in accordance with provision set forth hereinabove. Any PARTY or the surety may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

28. Definition of CITY: "CITY" shall include the City Manager, the City Engineer, and other authorized representatives designated by the Winters City Council.

29. Covenants and Conditions: Each covenant and each condition shall be deemed both a covenant and a condition.

30. Effective Period of This Agreement: This AGREEMENT shall remain in full force and effect for a period of one (1) year after acceptance by the City Council of the completed construction and the work done under this AGREEMENT or from DEVELOPER's completion of the most recent repair or reconstruction work under paragraph 18 of this AGREEMENT, whichever is later.

31. Recordation: The PARTIES agree that this AGREEMENT shall be recorded at the Office of the Yolo County Recorder.

32. Time For Payment of Fees:

- a. If DEVELOPER owes CITY money as reimbursement of costs related to processing application to date, said reimbursement shall be paid prior to the EFFECTIVE DATE of this AGREEMENT.
- b. Fish and Game CEQA Mitigation: The DEVELOPER shall comply with provisions of Fish and Game Code Section 711.4 by, prior to any construction or grading of the PROJECT site, submitting written evidence of having paid applicable Fish and Game mitigation fees.
- c. Building Permits Fees: Appropriate building permit fees shall be paid prior to issuance of building permits.
- d. City Development Impact Fees: City of Winters Development Impact Fees in effect at the time of issuance of building permits shall be paid prior to issuance of certificates of occupancy unless otherwise stated in this requirement or the Development Agreement. Currently those fees are Water, Streets, Police, Fire, Sewer, Local Drainage, General Capital, and Monitoring (General Plan).
- e. The Flood Area Storm Drainage Development Impact Fees referred to in paragraph 32(d) for this Property and shall be paid in full prior to issuance of the certificates of occupancy for the development.
- f. Development Impact fees are subject to an annual increase each July based upon the Engineering News Record Construction Cost Index.
- g. Yolo County Facilities Fees: County fees must be paid prior to issuance of certificates of occupancy.
- h. Public Improvement Plan Check and Inspection Fees: Appropriate plan check fees shall be paid prior to plan check of IMPROVEMENT PLANS. Appropriate inspection fees shall be paid prior to approval of the IMPROVEMENT PLANS.
- i. Business License: Prior to conducting business in the City of Winters, all contractors, subcontractors, or any other agents shall pay for and obtain a Business License.

33. **Disclaimer Of Liability:** In the event any claim, action or proceeding is commenced naming the CITY or its agents, officers/elected officials, and employees as defendant, respondent or cross defendant arising or alleged to arise from the CITY's approval of this PROJECT, the DEVELOPER shall defend, indemnify, and hold harmless the CITY or its agents, officers/elected officials and employees, from liability, damages, penalties, costs or expense in any such claim, action, or proceeding to attach, set aside, void, or annul any approval of the CITY of Winters, the Winters Planning Commission, any advisory agency to the CITY and local district, or the Winters City Council. Project DEVELOPER shall defend such action at DEVELOPER's sole cost and expense which includes court costs and attorney fees. The CITY shall promptly notify the DEVELOPER of any such claim, action, or proceeding and shall cooperate fully in the defense. Nothing in this condition shall be construed to prohibit the CITY from participating in the defense of any claim, action, or proceeding, if the CITY bears its own attorney fees and cost, and defends the action in good faith. DEVELOPER shall not be required to pay or perform any settlement unless the settlement is approved by the DEVELOPER in good faith; and the settlement not direct or indirect cost on the CITY, or its agents, officers/elected officials, and employees, the Winters Planning Commission, any advisory agency to the CITY, local district and the Winters City Council. Notwithstanding anything in this AGREEMENT to the contrary, the foregoing shall not apply to any bona fide purchaser(s) from DEVELOPER following their acquisition of any parcel in the development project if the required improvements (for such purchasers' parcels) have been completed and accepted by the CITY.

34. **Certificates of Occupancy:** Except as otherwise provided in this AGREEMENT, permanent certificates of occupancy for the "PROJECT" shall not be issued until after completion, and acceptance by the City, of the required public improvements pursuant to the approved public IMPROVEMENT PLANS, provided however that the City may issue permanent certificates of occupancy for structures within the PROJECT if the City Engineer and Fire Chief determine, in their sole and absolute discretion, that DEVELOPER has completed such public improvements that provide the infrastructure and fire safety improvements as are necessary or appropriate to serve the structures for which such certificates of occupancy are requested, and the City Engineer and Fire Chief have each provided their determination in writing.

35. **Assignment or Transfer of Agreement.** DEVELOPER shall not assign, hypothecate or transfer, either directly or by operation of law, this AGREEMENT or any interest herein without prior written consent of City, which shall not be unreasonably withheld. Any attempt to do so shall be null

and void, and any assignee, hypothecatee or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. In the event that CITY consents in writing to such an assignment, any assignee, hypothecatee or transferee shall expressly assume DEVELOPER's obligations hereunder by a written agreement in a form as is reasonably acceptable to CITY, and containing such security as required pursuant to this AGREEMENT.

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

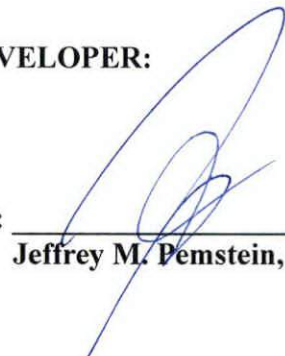
CITY OF WINTERS:

BY:



Wade Cowen, MAYOR

DEVELOPER:

BY:


Jeffrey M. Pemstein, Vice President

ATTEST:


Nanci G. Mills, CITY CLERK

APPROVED AS TO FORM:


Ethan Walsh, ATTORNEY

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Sacramento

On May 22, 2017 before me, Sarah Emily Fontenot, Notary Public
(insert name and title of the officer)

personally appeared Jeffrey M. Penstein
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

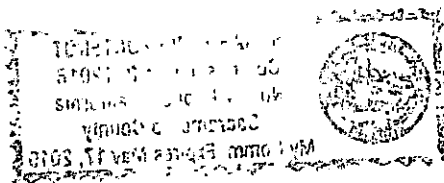
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Sarah Emily Fontenot

(Seal)





ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Yolo

On June 7, 2017 before me, Tracy S. Jensen, Notary Public
(insert name and title of the officer)

personally appeared Wade Lowan,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Tracy S. Jensen (Seal)

